

Audit Board

Meeting 1 July 2022, via Skype for business

In attendance: Seamus McCarthy (Chair), C&AG
Colette Drinan, Secretary and Director of Audit
Andy Harkness, Director of Audit
Deirdre Quaid, Director of Audit
Shane Carton, Deputy Director Central Services, secretary to the Audit Board

1. Agreement of agenda

The draft agenda was agreed as circulated.

2. Noting of any conflicts of interest

No conflicts of interest were reported in relation to the items scheduled for discussion at the meeting.

3. Minutes of previous meeting, matters arising and action list

The minutes of the meeting dated 25 March 2022 were agreed with minor edits and approved for publication on the Office intranet and website.

Under matters arising, the Board noted that the Office had written to the Secretary General of the Department of Public Expenditure and Reform on foot of legal advice received in respect of the potential impact on the role of the C&AG of certain provisions of the Protected Disclosures (Amendment) Bill 2021. The Board noted that a letter recently received from the Department responds to each of the concerns raised. It was also noted that the revised *Speak Up Policy* was communicated to staff and that the Office had joined the integrity at work programme run by Transparency International Ireland, both in early April.

The action list was reviewed and discussed. In the area of quality control, the Board noted the ongoing development of ISSAI 140 and potential implications for the Office's quality management system. It was agreed to explore the potential to expand the existing action relating to issuing guidance on dissolutions/mergers into an audit insights event for senior managers in affected client bodies — any such event would take place in 2023. The updated action list was agreed.

4. Emerging risks

The Board discussed the recent apparent increase in Covid-related sick leave among staff of the Office. While no particular action is warranted at this time, the Board noted the continued potential for spikes in infection to have an operational impact from time to time.

5. Reporting programme (paper A)

The Board noted the paper which provided updates on a number of reporting-related matters including planned training, recent EUROSAI and INTOSAI events attended and the cold review exercise which is nearing completion. The Board also noted the state of progress on the planned chapters for the Report of the Accounts of the Public Services 2021 as well as the

ongoing special reports. The development of a strategy on the manner in which the Office approaches the follow-up of recommendations is planned for Q4, 2022.

6. Financial audit programme (paper B)

The Board noted the paper which set out the financial audit performance to date for account years ending in 2021. It was agreed that the paper to be prepared for the July Management Board, presenting the position as at the 30 June milestone, should also be circulated to the Audit Board. It was also agreed that a report showing weekly certifications (cumulative) for the current year and the previous year should be circulated to the Audit Board by the end of July.

7. New/final audits (paper C)

The Board agreed some minor amendments to the table. The Board noted the following entities which have now been dissolved and for which the final accounts have been certified

- National Asset Sarasota Limited Liability Company
- Cork Institute of Technology
- Limerick Institute of Technology
- Athlone Institute of Technology
- National Pension Reserve Fund Commission.

The Board requested that the routine papers on new/final audits and legal monitoring be presented separately for future meetings.

8. Disclosures log (paper D)

The Board noted the paper which set out summary details of open disclosures and those that have been closed since the last meeting. The Board noted that a report for 2021 under Section 22 of the Protected Disclosures Act 2014 was published on the Office website on 30 June 2022.

9. Discussion paper on Office Key Performance Indicators (paper E)

The paper provided some background on the key performance indicators (KPIs) currently reported by the Office and reviewed the KPIs used by a sample of other national audit offices.

The Board noted the importance of including appropriate quality measures and the need for a measure to record the level of errors in accounts that are corrected as part of the audit process.

The Board agreed one change to the metrics for Vote 8 to be included in the 2023 Revised Estimates Volume (REV) — it was agreed that the *acceptance rate for report recommendations* should be substituted for the *number of opportunities for improved performance and instances of transferable good practice identified in reports*. Otherwise, the 2023 REV metrics will remain unchanged from the previous year.

The Board welcomed the paper and thanked the team involved in developing it. The international comparison was noted as being of particular value.

The Board agreed that further work was required and requested that a revised paper be prepared setting out proposed new KPIs in the context of the Office's strategic objectives and drawing on the framework for performance measurement published by the Office (see Chapter 11 of the 2019 annual report).

10. Proposed 2022 account year-end audits for EQCR (paper F)

The Board noted and approved the 2022 account year-end audits proposed for EQCR, subject to the following amendments:

- Waterford IT, Caranua and National College of Art and Design to be removed from Table 2
- Technological University of the Shannon: Midlands Midwest (Cohort 3), Atlantic Technological University (Cohort 4) and South East Technological University (Cohort 4) to be added to Table 3.

The approved list will be updated to the management information drive and the GSA unit will follow up with QSU ensuring access is granted to the relevant teammate files and that the EQCR reminders are sent.

11. Irish language scheme progress report (paper G)

The Board noted the paper on the Irish language scheme. It was noted that the European Court of Audit is now communicating with the Office through the Irish language.

With regard to Section 10A of the Official Languages (Amendment) Act 2021, due to come into force in October this year, the Board noted the Office's intention to advertise bilingually as much as possible in future, using Irish language media outlets where practical.

12. Changes to Management Board terms of reference (paper H)

The Audit Board noted and approved the changes to the Management Board terms of reference, including a change to reflect the current practice in managing conflicts of interest.

13. AoB

The Board noted that the Office's performance report for 2021 was published on the website in June 2022.

Subject to completion of a review by the C&AG of a sample of audits certified under delegated authority, the Monitoring and Ethics Director Report for 2021 will be finalised.

The next Audit Board meeting is scheduled for Friday 21 October 2022. Due to a diary conflict for some members, it was agreed to move the scheduled date for the final meeting of the year from 2 December to 9 December.